

STATE OF CALIFORNIA



MEMO

To : POLICY AND PROCEDURE COMMITTEE  
RAHIM HASSANALLY, CHAIR  
KATHRYN DOI, MEMBER

Date: February 27, 2018

From : TIMOTHY M. CORCORAN  
DANIELLE R. VARE

Subject: DISCUSSION CONCERNING PENDING LEGISLATION

The following provides a summary of pending State legislation that is of interest to the New Motor Vehicle Board ("Board"). The criteria for reporting on "legislation of general interest" is that the bill impacts the Vehicle Code, the Board, and/or the automotive industry in general and does not directly impact the Board or its enabling statute. For purposes of this report "legislation of special interest" is that which directly affects the Board's laws or functions.

Bill summaries include a brief overview of the bill as provided by the Legislative Counsel's Digest or the Congressional Research Service, if available, as well as the current status of the bill.<sup>1</sup>

a. Pending Legislation of Special Interest:

(1) **Assembly Bill 2107 - Assembly Member Reyes** (Introduced February 8, 2018)

**Status:** Referred to committee on transportation. May be heard in committee March 11.

**Support:** California New Car Dealers Association

**Opposition:** Unknown

**Legislative Counsel's Digest:** New Motor Vehicle Board: export or sale-for-resale prohibition policy protests

Existing law establishes the New Motor Vehicle Board in the Department of Motor Vehicles, and requires the board to hear and decide certain protests presented by a motor vehicle franchisee in regard to a dispute with the vehicle manufacturer. Existing law, until January 1, 2019, authorizes the board to hear protests by an association challenging the legality of an export or sale-for-resale prohibition policy of a manufacturer, manufacturer branch, distributor, or distributor branch and establishes procedures for hearing those protests, as specified.

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<sup>1</sup> All statutory references are to the Vehicle Code, unless otherwise indicated.

This bill would extend the operation of the provisions authorizing the board to hear these protests by an association and establishing the hearing procedures indefinitely.

b. Pending Legislation of General Interest:

**(1) Assembly Bill 2224 - Assembly Member Mullin** (Introduced February 12, 2018)

**Status:** This bill is pending referral.

**Support:** Unknown

**Opposition:** Unknown

**Legislative Counsel's Digest:** Vehicles: narrow track vehicles

Under existing law, upon application for an original driver's license, except student licenses, the Department of Motor Vehicles shall require an examination of the applicant. Existing law requires an applicant for a driver's license to submit to an examination appropriate to the type of motor vehicle or combination of vehicles the applicant desires a license to drive.

This bill would include narrow track vehicles in the list of class C vehicles subject to the licensing provisions described above. The bill would define a narrow track vehicle as a fully enclosed motor vehicle with three or four wheels that does exceed 40 inches in width. The bill would also define a short narrow track vehicle as a narrow track vehicle that does not exceed 102 inches in length.

Existing law authorizes the Department of Transportation and local authorities to designate certain highway lanes for the exclusive or preferential use of high-occupancy vehicles (HOVs), requires the department or local authorities to place signage advising motorists of the rules governing the use of those lanes, and prohibits the use of those lanes by motorists other than in conformity with the posted rules. Existing law provides a limited exemption allowing specified vehicles, including motorcycles, to use HOV lanes.

The bill would include narrow track vehicles in the HOV lane exemption described above.

This bill would express the intent of the Legislature to encourage local authorities to regulate short narrow track vehicles in the same manner as motorcycles, for purposes of standing, stopping, and parking. The bill would also make technical, nonsubstantive changes.

c. Pending Federal Legislation of General Interest:

None.

This matter is for information only at the March 13, 2018, General Meeting. If you have any questions or require additional information, please contact me at (916) 324-6197 or Danielle at (916) 327-3129.

cc: Ramon Alvarez C.